take so that new export and import (Exim) policy is "export friendly"?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULI RAMAIAH): (a) Yes, Sir. Having regard to export performance during the year, it is felt that exports in the full year might be lower than originally anticipated.

(b) Total value of exports have shown an increase during April-Nov., 1996-97 vis-a-vis the levels of corresponding period of last year. As per DGCI&S data, exports of gems and jewellery, have shown a negative growth of 8.4% in dollar terms during April-Nov. 1996-97; however, readymade garments and carpets have shown a growth of 4.2% and 1.7% respectively and is not negative. The export performance is influenced inter-alia by international market conditions, non-tariff barriers to trade, domestic factors such as supportive infrastructure etc. Gems & jewellery exports have been affected by a dislocation of diamond trade following breakup of arrangements between suppliers of raw material besides a fall in prices of rough diamonds. Carpet exports have been affected due to restriction in importing countries regarding child labour. Readymade garments export have slowed down owing to a shift in demand pattern in major markets.

(c) The new EXIM Policy for 1997—2002 is expected to give further boost to exports.

Smuglling of gold through MMTC

1515. SHRI RAM DAS AGARWAL: Will the Minister of COMMERCE be pleased to state:

(a) whether some of the officials of the Minerals and Metal trading Corporation had 'actively connived' with the gold swindlers to cheat their own organisation of one quintal of gold valued at over Rs. 3 crore as reported in Hindustan Times dated 20th February, 1997;

(b) if so, the findings of the Economic offences wing in this regard so far; and

(c) the preventive measures Government propose to take as involvement of the MMTC officials in the worst ever "gold scam" has virtually grounded the plan to export quality gold jewellery to select European countries and the United States?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULI RAMAIAH): (a) and (b) Under the various schemes of supply of gold to EOU/EPZ units operated by the MMTC under Exim Policy, a total of 172 kg. of gold has been found missing by the custom authorities from custom bonded premises of EOU units. MMTC has filed FIRs with U.P. Police against each of these units in NEPZ which is being investigated by the Economic Offence Wing of UP Government. These cases have also been handed over to appropriate authorities including CBI and DRI for investigation which is continuing.

(c) Government has constituted an Inter-Ministerial Group under the Chairmanship of Commissioner of Customs, Delhi to take coordinated action against exporters of gold jewellery committing irregularities under the Exim Policy schemes operated by the MMTC. To reduce the possibilities of misuse of the facilities under these schemes, the Government has since made a number of changes in the Exim Policy with the advice of the Kundra Committee which was constituted in 1995 for this purpose. So far as exports are concerned, the gold jewellery sector had 36.49% growth in 1994-95 and 14.05% in 1995-96. This trend is continuing in the current year also.